



STUDY OF CLAIMS ADJUDICATION BY DEPUTIES

Virginia Employment Commission

Overview



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- ❑ Background regarding UI claims adjudication
- ❑ Review of initial determinations reversed on appeal
- ❑ Internal self-study of claims adjudication
- ❑ Business process review of adjudication and appeals
- ❑ VEC actions taken

Background



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- Agency had been reviewing and evaluating claims adjudication process during 2009 and early 2010
- Introduction of HJ 23 brought additional momentum to that review
- Launched a comprehensive self-study

Review of Appeals & Reversals



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Results of an ongoing, Internal Study: May – Nov, 2010

- ❑ In a sample of 279 appealed Deputy decisions 129 (**46%**) cases were reversed on appeal.
- ❑ Employers or their agents participated in 51 (**40%**) of the Fact Finding Interviews (FFIs) of the 129 reversals while Claimants participated in 76 (**59%**).
- ❑ Employers or their agents participated in 86 (**67%**) Appeal Hearings of the 129 reversals, while Claimants participated in 68 (**53%**).
- ❑ 108 cases were appealed by employers and 52 cases (48%) were reversed in their favor, while Claimants appealed 171 case and 43 (25%) were reversed in their favor
- ❑ Out of the 108 cases appealed by employers they participated in 45 (41%) of the FFIs conducted by Deputies.
- ❑ Out of the 171 cases appealed by Claimants, they participated in 113 (66%) of FFIs conducted by Deputies

Review of Reversals



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Contributing factors to reversals include:

1. Claimants, Employers or employers' agents did not participate in a significant number of the Deputy FFI and/or provided incomplete explanation and documentation to Deputies.
2. Claimants, Employers or employers' agents participated at the Appeals Level, providing additional explanation and documentation.
3. Some Deputy determinations were the result of inadequate fact-finding even when both parties participated

Adjudication Study



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- ❑ Internal adjudication study conducted April – October 2010
- ❑ Purpose was top-to-bottom review of adjudication and claims processes
- ❑ Focused on organizational design and staffing, management and supervision, work flow, training, and best practices from other states

Principal Findings



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- ❑ Decentralized management and supervision of deputies has contributed to performance issues
- ❑ Decentralized approach has led to inconsistencies in training and performance oversight
- ❑ Deputy performance in field offices is impacted by the knowledge and skill levels of office managers and supervisors
- ❑ Deputy performance in field offices also impacted by the knowledge and skill levels of their mentors/coaches
- ❑ Comprehensive adjudication training program needs to be implemented to ensure that core training is provided on a consistent basis
- ❑ Need to implement additional quality assurance reviews with regular feedback to deputies to improve and maintain performance

Business Process Review of Adjudication and Appeals



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- ❑ Submitted a Supplemental Budget Request (SBR) to USDOL for a grant to study our adjudication and appeals processes
- ❑ SBR submitted in June 2010 and award made on September 30
- ❑ In November 2010, contracted with E. L. Hamm & Associates to study the Adjudication and Appeal business processes
- ❑ Where VEC internal study focused largely on organizational design, this study will focus on our actual business processes
- ❑ The consultant's recommendations will include findings with regard to VEC structure, business processes, regulations or laws, and "quick wins"
- ❑ The first deliverable has been received by the VEC with conclusion of the study by mid-March 2011

VEC Actions Taken



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- ❑ Commissioner elected to create a separate Unemployment Insurance (UI) Division with a mandate to provide greater emphasis on overall agency performance
- ❑ Modify our management structure to provide more effective oversight and supervision of claims processing and adjudication
- ❑ Developing a comprehensive training program for all adjudicators and their supervisors
- ❑ Work with agency stakeholders to improve level of participation in fact-finding interviews